

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6390**

**BILL NUMBER:** SB 78

**NOTE PREPARED:** Feb 1, 2005

**BILL AMENDED:** Jan 31, 2005

**SUBJECT:** Wage Payment Issues.

**FIRST AUTHOR:** Sen. Young R Michael

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
X FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill requires an employer to pay all wages earned to a date not more than 10 business days before the date of payment. It provides a procedure for an employer to deduct amounts due to the employer from an employee from the employee's unpaid wages. It permits a wage assignment for: (1) payment for uniforms; (2) payment for tools and equipment; or (3) tuition repayment; and when allowed by federal law. This bill also establishes a fee for issuing a replacement payroll check in certain circumstances.

The bill repeals and relocates language making it a Class C infraction for an employer to sell merchandise or supplies to an employee for a price higher than to the public. It repeals a chapter concerning the regulation of wage payments, which includes the following provisions: (1) a provision requiring an employer to pay employees in commercial paper. (2) a duplicate provision concerning frequency of wage payments. (3) a provision containing outdated language concerning liens of laborers.

**Effective Date:** (Amended) Upon Passage, July 1, 2005.

**Explanation of State Expenditures:** (Revised) The impact on the state and local governments would be as an employer and should be a minor impact, if any.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** See *Explanation of State Expenditures*.

**Explanation of Local Revenues:**

**State Agencies Affected:** All.

**Local Agencies Affected:** All.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.